

# U.S. Bank Credit Monitor

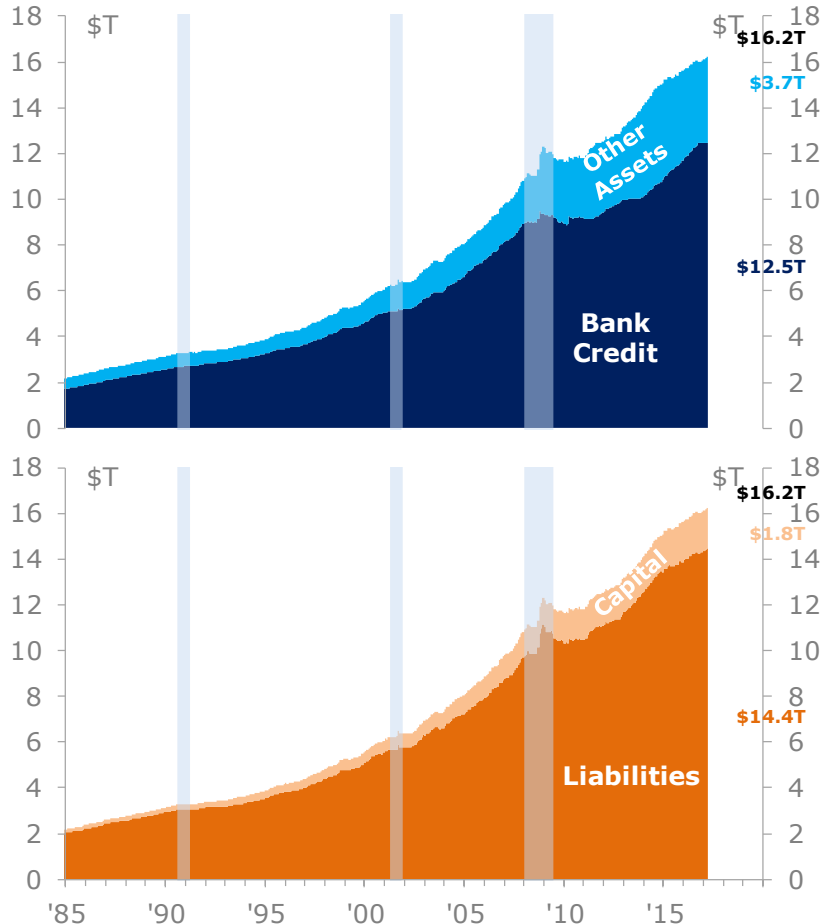
April 14, 2017

**FLOATINGPATH**

# Commercial Bank Balance Sheets

## Aggregate Commercial Bank Balance Sheets Have Grown To \$16.2 Trillion...

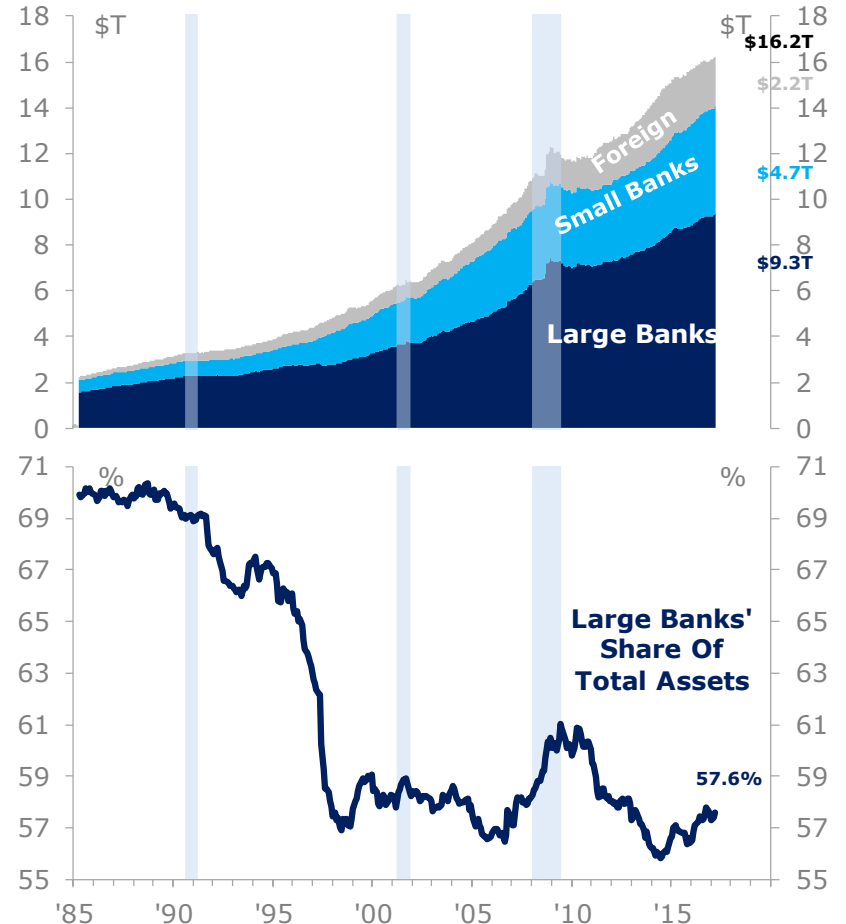
U.S. Commercial Banks' Assets & Liabilities



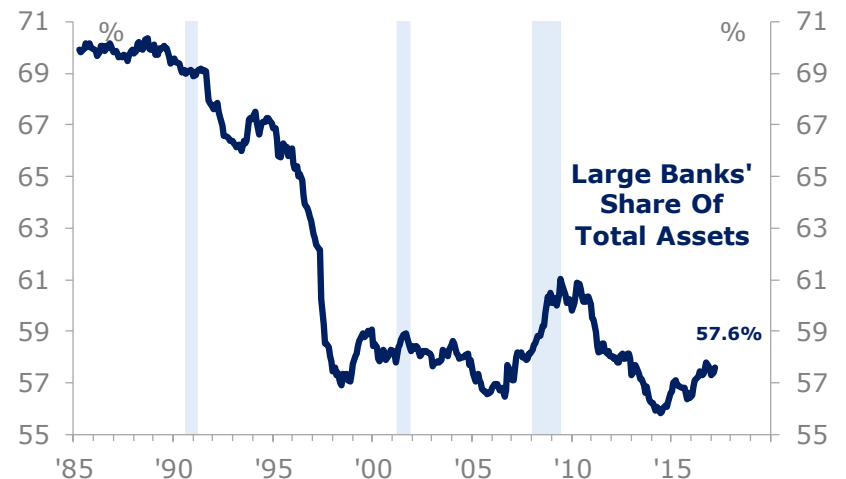
Source: Floating Path, Federal Reserve

## ...Of Which \$9.3 Trillion Is Held By The 25 Largest Banks

U.S. Commercial Banks' Assets



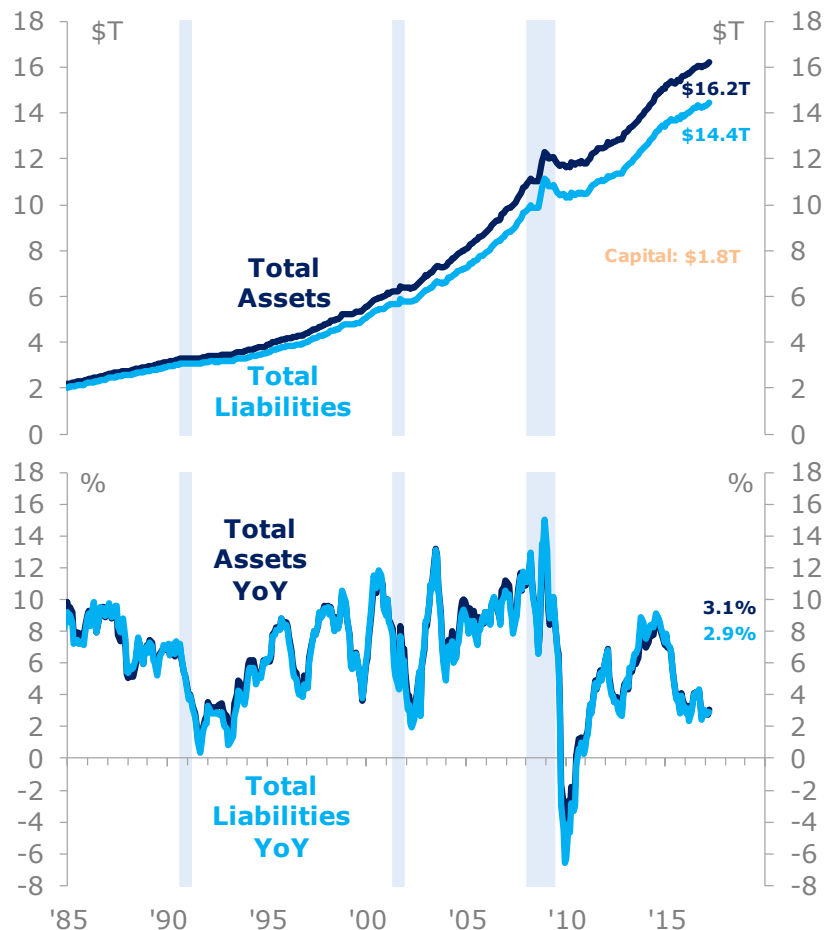
Source: Floating Path, Federal Reserve



# Balance Sheet Growth Rates

## Aggregate Commercial Bank Balance Sheets Are Growing At About 3.1% Year Over Year...

U.S. Commercial Banks' Assets & Liabilities



## ...Bank Credit Comprises 76.9% Of Assets And Has Risen By 4.7% From A Year Ago

U.S. Commercial Banks' Assets & Liabilities

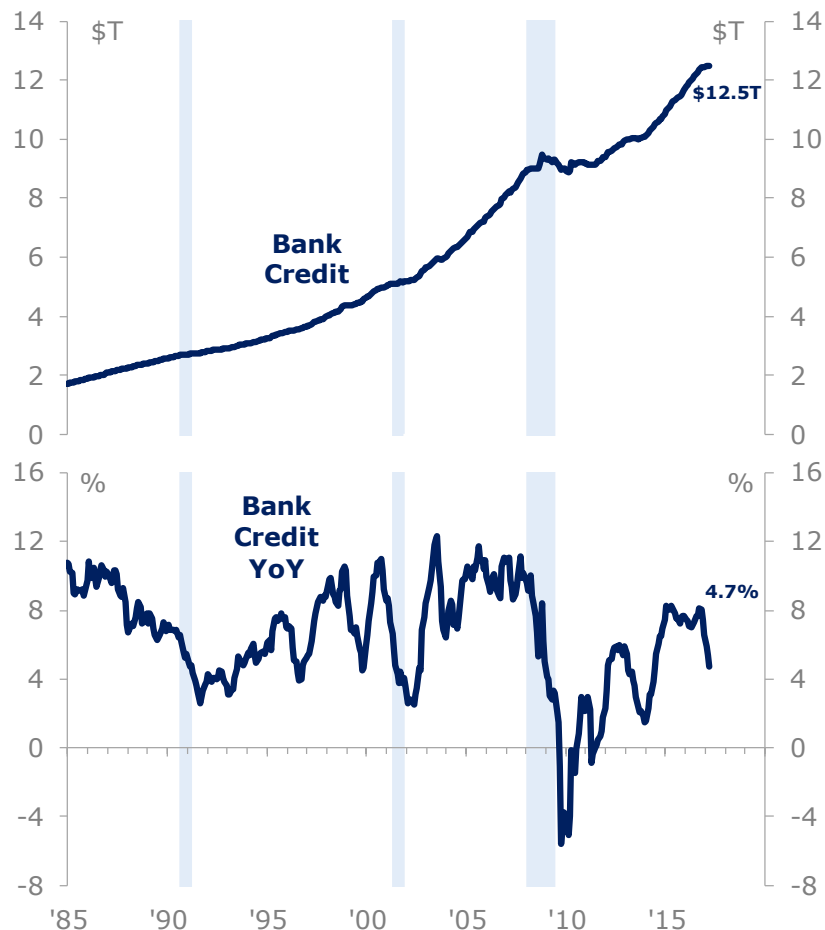
Category	Share	\$Billions	Δ YoY (%)
<b>Assets</b>	<b>100.0</b>	<b>16,227</b>	<b>3.1</b>
Bank Credit	76.9	12,484	4.7
Securities	20.7	3,351	6.5
Treasury/Agency	15.0	2,437	8.3
Other	5.6	915	2.1
Loans & Leases	56.3	9,133	4.1
C&I Loans	12.8	2,085	3.0
Real Estate Loans	25.5	4,146	5.2
Consumer Loans	8.4	1,365	6.2
Other	9.5	1,537	0.9
(Allow. For Losses)	-0.7	-109	2.4
Interbank Loans	0.4	68	13.8
Cash Assets	15.1	2,443	-2.7
Trading Assets	1.0	164	-23.7
Other Assets	7.3	1,178	2.7
<b>Liabilities</b>	<b>100.0</b>	<b>14,434</b>	<b>2.9</b>
Deposits	80.6	11,628	4.8
Large Time Deposits	10.7	1,545	-7.6
Other Deposits	69.9	10,083	7.0
Borrowings	13.7	1,971	1.3
Trading Liabilities	1.2	177	-21.8
Net Due To For. Offices	1.8	267	-24.5
Other Liabilities	2.7	391	-1.7
<b>Capital Proxy (A-L)</b>		<b>1,794</b>	<b>4.0</b>

Source: Floating Path, Federal Reserve

# Assets: Rising Bank Credit, Falling Cash

**Total Bank Credit Has Grown To \$12.5T, Up 4.7% From A Year Ago...**

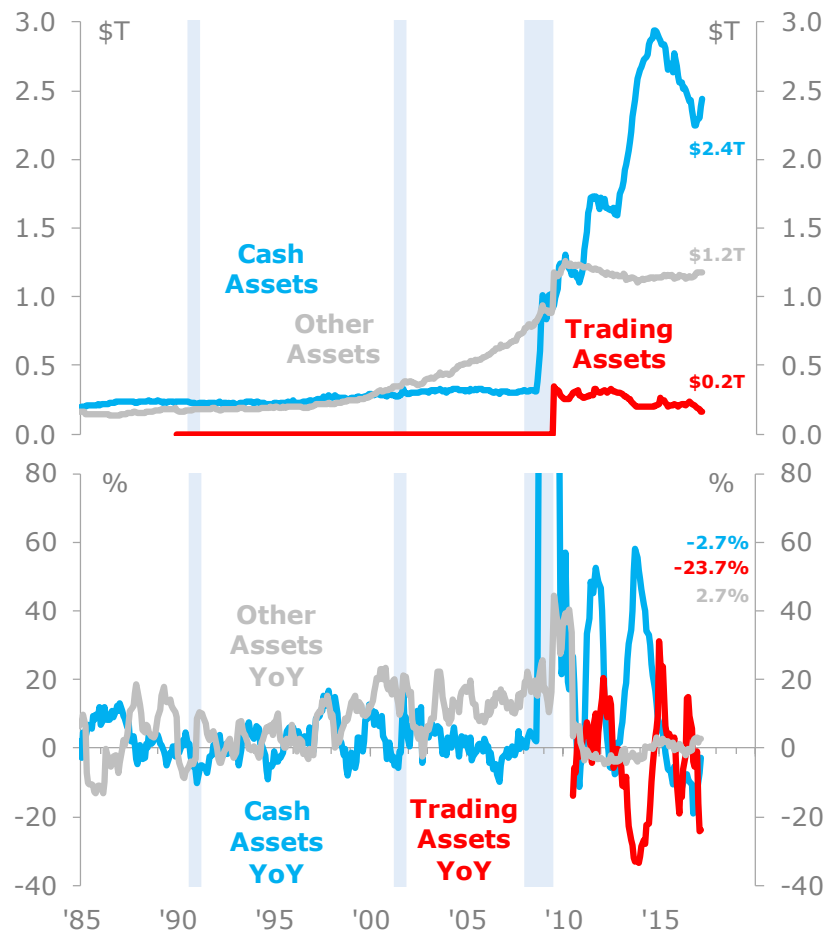
U.S. Commercial Banks' Assets



Source: Floating Path, Federal Reserve

**...Cash Assets Have Been Declining Since Late 2014**

U.S. Commercial Banks' Assets

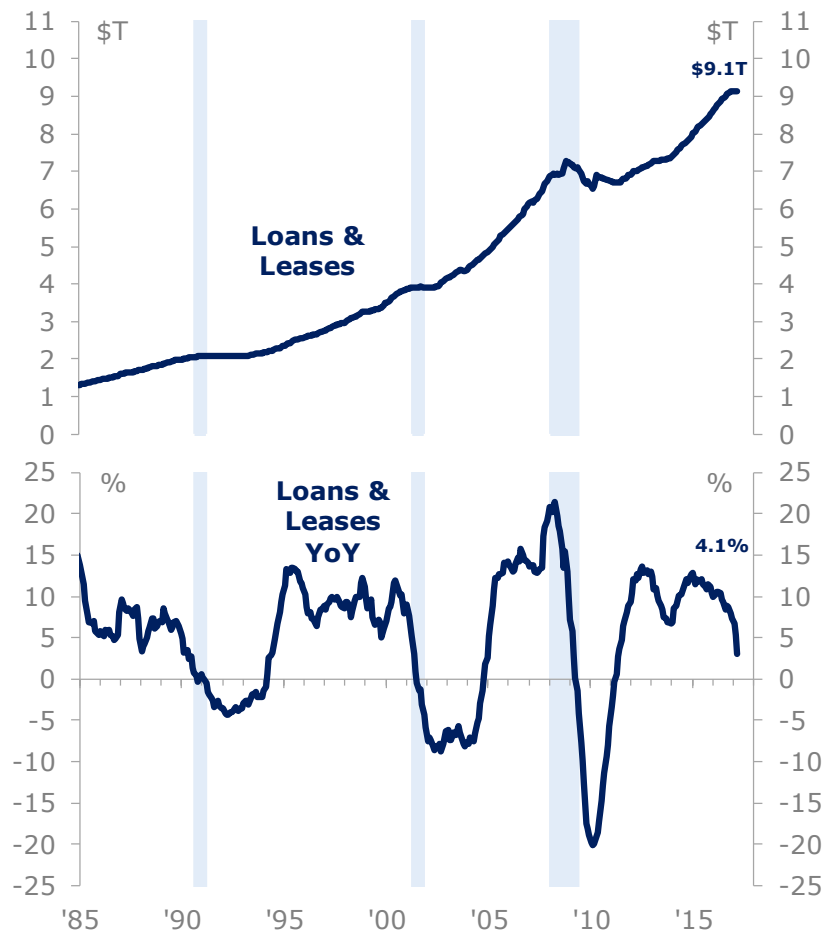


Source: Floating Path, Federal Reserve

# Assets: Loan Growth Rapidly Slowing

## Total Loans & Leases Are Around \$9.1T And Have Increased 4.1% From A Year Ago...

U.S. Commercial Banks' Loans & Leases



Source: Floating Path, Federal Reserve

## ...Real Estate Loans Make Up A Large Portion Of Outstanding Loan Balances

U.S. Commercial Banks' Loans & Leases

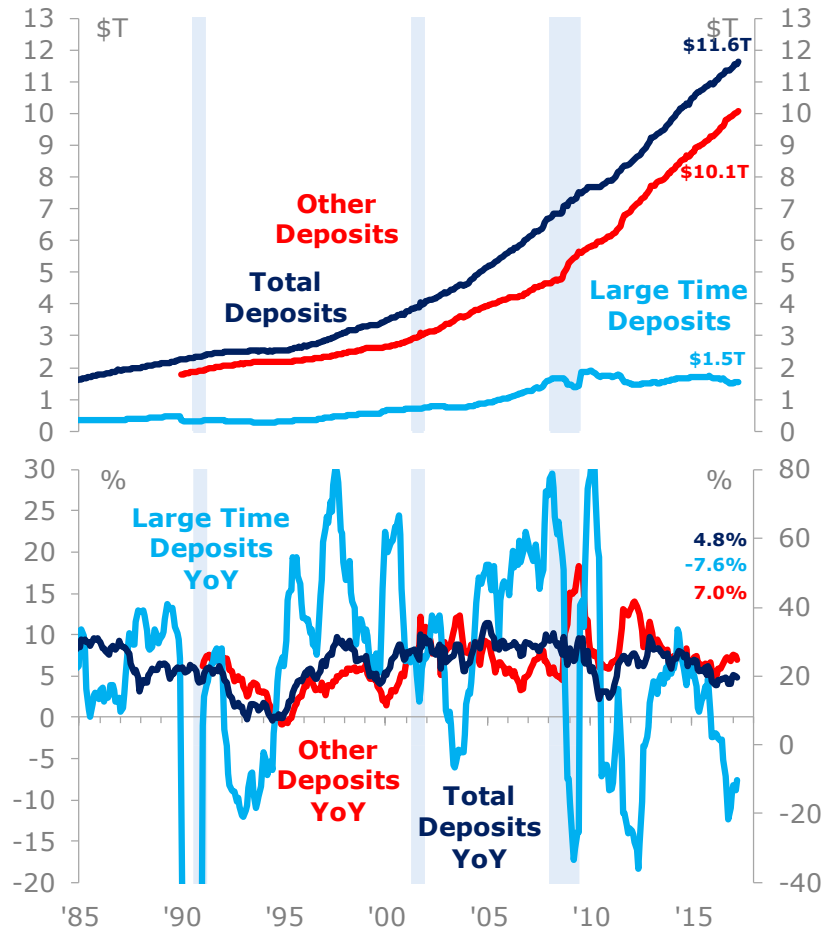
Category	Share	\$Billions	Δ YoY (%)
<b>Total Loans &amp; Leases</b>	<b>100.0</b>	<b>9,133</b>	<b>4.1</b>
<b>C&amp;I Loans</b>	<b>22.8</b>	<b>2,085</b>	<b>3.0</b>
<b>Real Estate Loans</b>	<b>45.4</b>	<b>4,146</b>	<b>5.2</b>
Residential	23.5	2,146	1.8
HELOC	4.4	397	-7.4
Closed End	19.1	1,748	4.1
Commercial	21.9	2,000	9.1
Construction Dev.	3.3	305	13.0
Farmland	1.0	94	5.5
Multi-Family Prop.	3.5	316	12.3
Nonresidential	14.1	1,285	7.7
<b>Consumer Loans</b>	<b>14.9</b>	<b>1,365</b>	<b>6.2</b>
Credit Cards / Rev.	7.8	716	6.5
Nonrevolving / Other	7.1	649	5.9
Automobiles	4.5	412	4.8
All Other	2.6	238	8.0
<b>Other Loans &amp; Leases</b>	<b>16.8</b>	<b>1,537</b>	<b>0.9</b>
FF/RRPs Nonbanks	3.5	316	-11.2
Other	13.4	1,221	4.6
Nondep. Fin. Inst.	4.5	413	5.6
Other	8.8	808	4.0

Source: Floating Path, Federal Reserve

# Liabilities: Stable Deposit Growth

**Total Bank Deposits Have Grown 4.8% Year Over Year...**

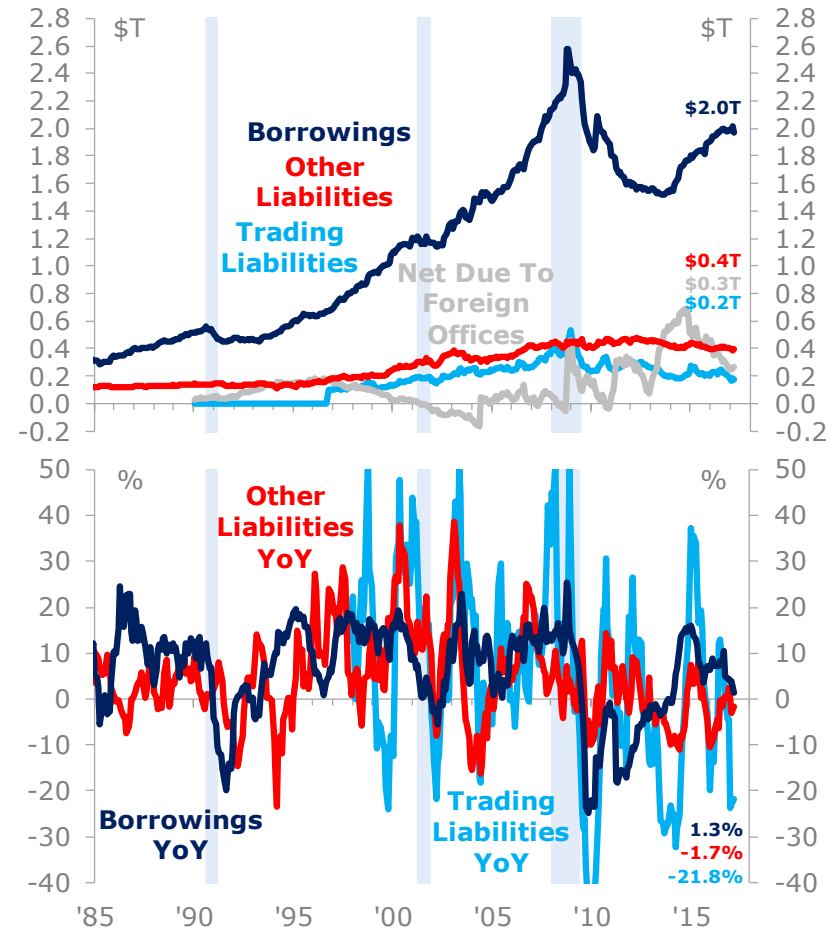
U.S. Commercial Banks' Liabilities



Source: Floating Path, Federal Reserve

**...While Borrowings Have Increased 1.3% And Trading Liabilities Have Fallen 21.8%**

U.S. Commercial Banks' Liabilities

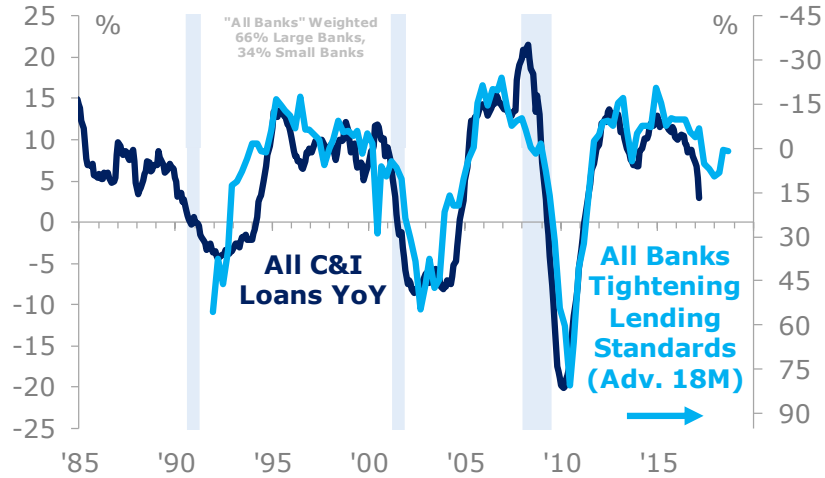


Source: Floating Path, Federal Reserve

# The C&I Lending Outlook

## Credit Availability For Commercial Projects Was Essentially Unchanged In Q1 2017...

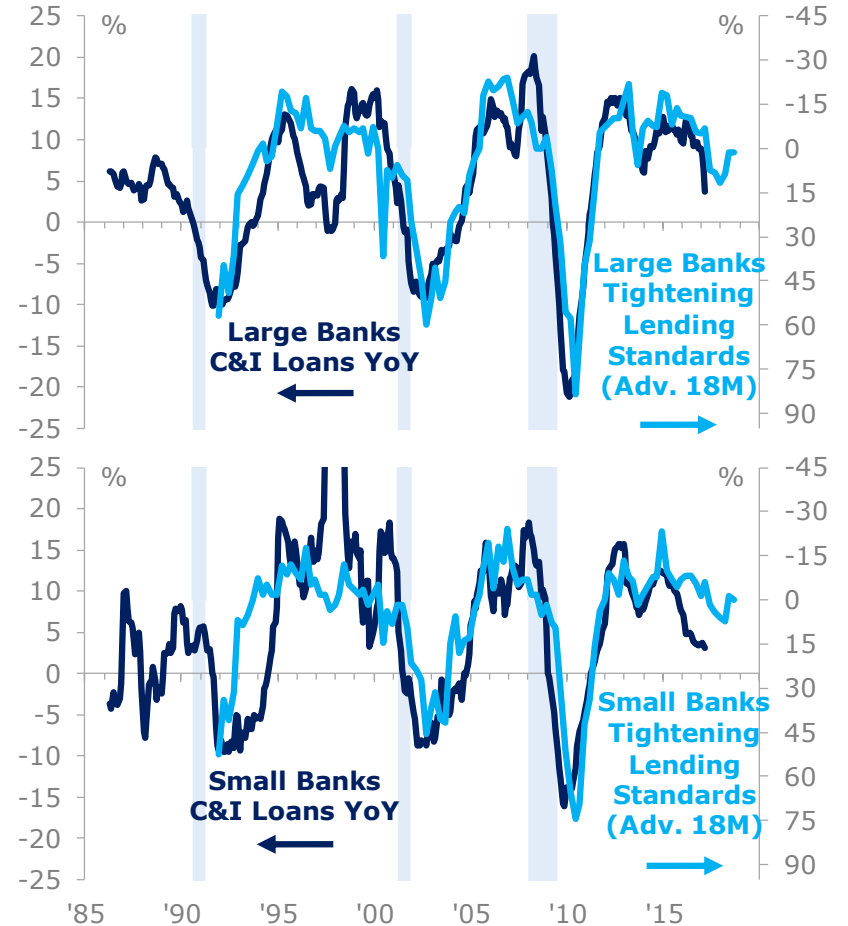
U.S. Commercial Banks' Commercial & Industrial Loans



Source: Floating Path, Federal Reserve

## ...Suggesting Loan Growth May Not Decelerate As Rapidly

U.S. Commercial Banks' Commercial & Industrial Loans

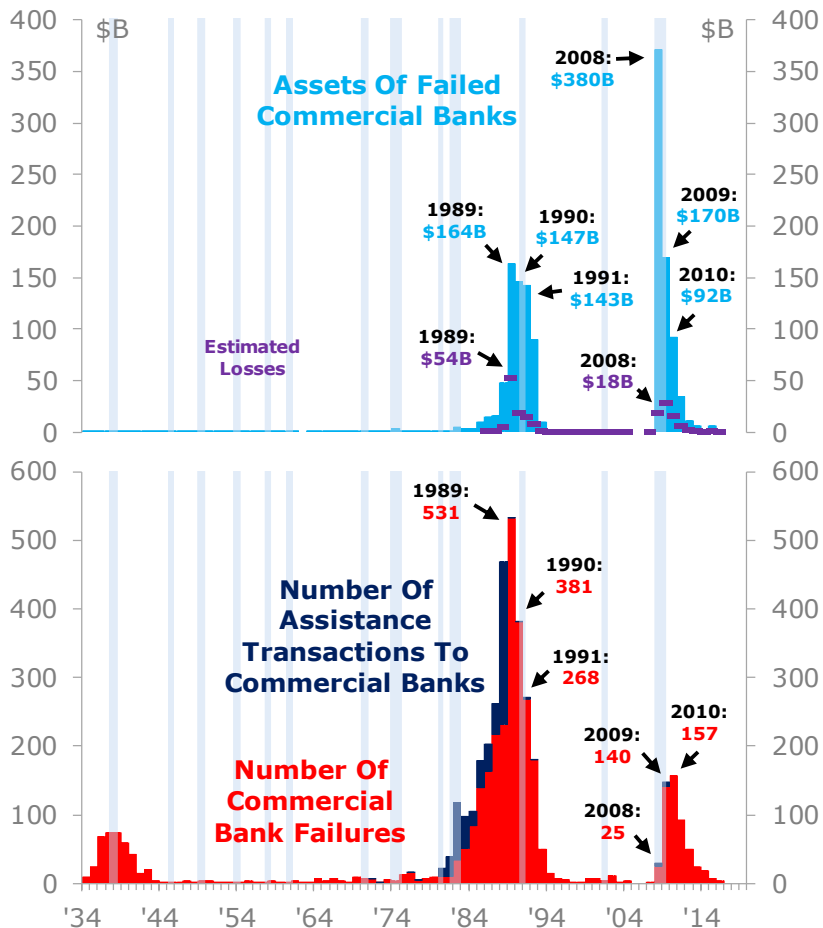


Source: Floating Path, Federal Reserve

# Commercial Bank Failures

## There Were Only A Total Of Only 5 Commercial Bank Failures In 2016...

U.S. Commercial Bank Failures



Source: Floating Path, FDIC

## ...The Most Recent Bank To Fail Was Proficio Bank On 3/3/2017

U.S. Commercial Bank Failures

Institution	Assets (\$M)	City, State	Closing Date
PROFICIO BANK	68	C-WOOD HEIGHTS, UT	3/3/2017
SEAWAY BANK AND TRUS...	361	CHICAGO, IL	1/27/2017
HARVEST COMMUNITY BA...	126	PENNSVILLE, NJ	1/13/2017
ALLIED BANK	66	MULBERRY, AR	9/23/2016
THE WOODBURY BANKING...	21	WOODBURY, GA	8/19/2016
FIRST CORNERSTONE BA...	103	KING OF PRUSSIA, PA	5/6/2016
TRUST COMPANY BANK	19	MEMPHIS, TN	4/29/2016
NORTH MILWAUKEE STAT...	67	MILWAUKEE, WI	3/11/2016
HOMETOWN NATIONAL BA...	4	LONGVIEW, WA	10/2/2015
THE BANK OF GEORGIA	286	PEACHTREE CITY, GA	10/2/2015
PREMIER BANK	27	DENVER, CO	7/10/2015
EDGEBROOK BANK	90	CHICAGO, IL	5/8/2015
DORAL BANK	5,899	SAN JUAN, PR	2/27/2015
CAPITOL CITY BANK & ...	272	ATLANTA, GA	2/13/2015
HIGHLAND COMMUNITY B...	55	CHICAGO, IL	1/23/2015
FIRST NATIONAL BANK ...	74	CRESTVIEW, FL	1/16/2015
NORTHERN STAR BANK	19	MANKATO, MN	12/19/2014
FRONTIER BANK, FSB	81	PALM DESERT, CA	11/7/2014
THE NATIONAL REPUBLI...	843	CHICAGO, IL	10/24/2014
NBRFS FINANCIAL BANK	155	RISING SUN, MD	10/17/2014
GREENCHOICE BANK, FS...	70	CHICAGO, IL	7/25/2014
EASTSIDE COMMERCIAL ...	174	CONYERS, GA	7/18/2014
THE FREEDOM STATE BA...	23	FREEDOM, OK	6/27/2014
VALLEY BANK	456	MOLINE, IL	6/20/2014

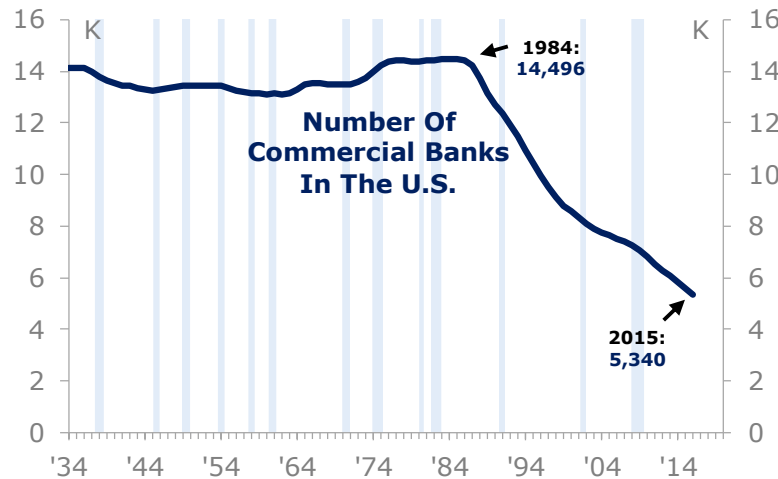
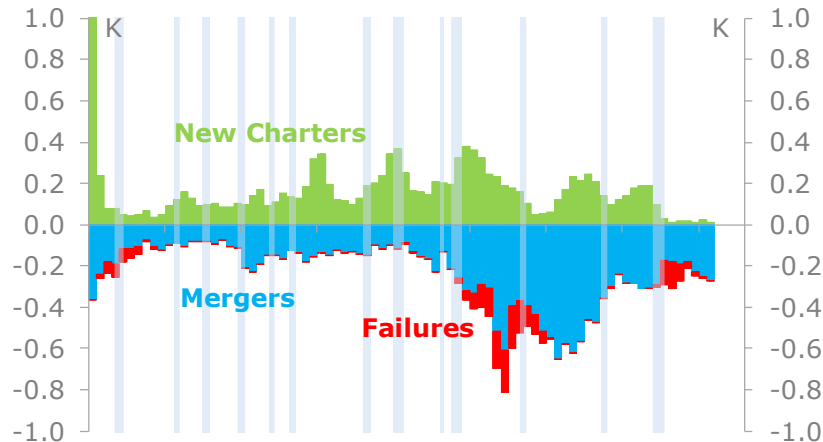
Source: Floating Path, FDIC



# Banking Industry Consolidation

## The Number Of Total Commercial Banks Has Been Declining Since 1984...

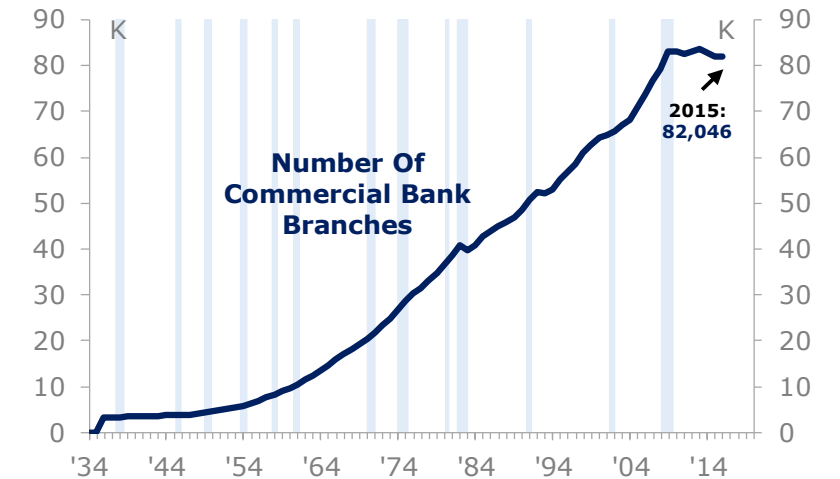
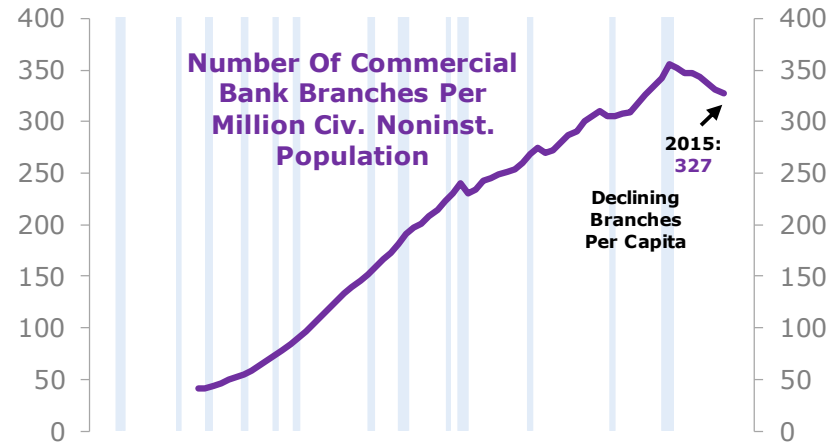
U.S. Commercial Banks



Source: Floating Path, FDIC

## ...Bank Branches Continued To Grow Until 2008 But Have Now Levelled Off

U.S. Commercial Banks



Source: Floating Path, FDIC